



# Public Service Commission of Wisconsin

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**For Immediate Release** – December 22, 2004  
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## **PSC Approves New CenturyTel Service Plan** *Reduces Company's Rate Request*

MADISON – The Public Service Commission of Wisconsin (PSC) has approved a new alternative regulation plan the eight CenturyTel's service territories listed below:

CenturyTel of Fairwater-Barndon-Alto, Inc.	CenturyTel of Northwest Wisconsin, Inc.
CenturyTel of Forestville, Inc.	CenturyTel of Southern Wisconsin, Inc.
CenturyTel of Larsen-Readfield, Inc.	CenturyTel of the Midwest-Wisconsin, Inc.
CenturyTel of Northern Wisconsin, Inc.	CenturyTel of Wisconsin, Inc.

An alternative regulation plan sets rules on how a telephone company can increase its rates, along with setting consumer protection requirements. State law requires the PSC to encourage all telephone companies to submit alternative regulation plans, which promotes competition in the service territories. Competition among telephone providers helps to hold prices down and creates more service choices for customers.

CenturyTel filed its alternative regulation plan application in April 2004 requesting a 10% increase in local service rates saying its proposed plan would encourage competition, expand infrastructure and improve service quality.

The Commission fully reviewed the record in the case, including more than 80 comments from customers in these eight service territories. Noting the importance of the public's involvement, the Commission has verbally modified CenturyTel's original application request and has implemented the following conditions on the alternative regulation plan:

- CenturyTel has the discretion to raise basic residential local rates up to 2%, rather than the 5% the company originally requested.
- CenturyTel may raise basic residential local rates up to an additional 5%, but only if it also decreases long distance access charges by the same amount. (Access charges are those fees charged to competitive telephone service providers for access to CenturyTel's telecommunications network.)
- The Commission ordered CenturyTel to implement a system to help local service competitors more easily and efficiently serve customers if a competitor chooses to enter a CenturyTel territory.

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In addition, the Commission will continue to monitor service quality to CenturyTel consumers and will intervene if it feels CenturyTel is not meeting its service quality standards. The newly approved alternative regulation plan will be implemented when the old plan expires.

Public comments were accepted until November 5<sup>th</sup> and all became part of the record developed for the Commission to review as it considered the application. In making its decision, the Commission had the option to renew the existing plan, approve the application as submitted, modify the request or deny the application. A written order will finalize the rates granted in the decision. PSC staff is expected to complete the written order in January 2005.

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